Office of Electricity Delivery and Energy Reliability

Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday, March 27, 2007

Electricity

Attorney Generals from Nine States Request NRC to Consider Terrorism Potential in Rules for Nuke Plants

The attorney generals want the U.S. Nuclear Regulatory Commission (NRC), when deciding whether to extend a nuclear plant's license, to consider the potential for a terrorist attack. The March 16th letter followed a NRC ruling on March 15th that Massachusetts could not take a terrorist attack into consideration when deciding whether to extend a nuclear power plant license.

http://www.boston.com/news/local/articles/2007/03/23/ags_seek_nrc_rule_change_on_terrorism/

ConEd Spending \$1.4 Billion in Effort to Prevent Summer Blackout

In preparation for this summer and to prevent a blackout similar to last year's power outage in Queens, New York, Consolidated Edison Company of New York, Inc.(ConEd), has invested this money on electric infrastructure. Enhanced infrastructure includes new transformers, feeders, and underground cable, a computerized tracking system to track customer outages, and increased personnel available to respond to the outages. The utility is also constructing three substations in the Bronx and Manhattan.

http://www.silive.com/news/advance/index.ssf?/base/news/117499684018120.xml&coll=1 http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8034874

TXU Plans to Restart 750 MW Martin Lake Coal-fired Unit 3 in Texas March 27

In a report to state regulators, the company announced that the unit would return to operational status on March 27. The unit was shut on March 26 to repair a tube leak. Reuters, 06:36 March 27, 2007

AES's 497 MW Alamitos Gas-fired Unit 5 in California Shut March 26

Reuters, 06:58 March 27, 2007

EPCOR's 384 MW Genesee Coal-fired Unit 1 in Alberta Shut March 27

Reuters, 06:58 March 27, 2007

TransAlta's 353 MW Sundance Coal-fired Unit 5 in Alberta Shut March 26

Reuters, 06:58 March 27, 2007

Petroleum

Valero Completes Repairs at its 190.000 b/d St Charles Refinery in Louisiana March 26

Valero announced that repairs to a 100,000 b/d fluidic catalytic cracking unit at the refinery have been completed. The unit had been taken out of service on March 13 so that repairs could be performed on a flue gas cooler. The company estimated that the unscheduled outage resulted in a reduction in the production of 85,000 b/d of gasoline and an additional 15,000 b/d of diesel fuel.

Reuters, 19:32 March 26, 2007

Valero Delays Plan for Refinery Expansion in Canada; Cancels Texas City Expansion

On March 27, Valero announced that plans for a 50,000 b/d expansion at its 171,000 b/d refinery in Quebec, Canada have been postponed by one year, with the expansion now scheduled to begin in 2008. The company characterized the delay as "capital discipline" designed to improve the return for investors. The company also announced that it was abandoning plans to expand capacity by 10,000 b/d at its Texas City refinery. Reuters, 12:06 March 27, 2007

http://www.chron.com/disp/story.mpl/business/4663675.html

Total Reports Valve Problem at its 240,000 b/d Port Arthur Refinery in Texas March 26

In a report to state regulators, Total SA indicated that a problem with a valve resulted in emergency flaring of hydrogen sulfide and sulfur dioxide at the refinery. According to the report, the incident had no impact on production.

Bloomberg News, 11:07 March 27, 2007

ConocoPhillips Shuts Waste Water Treatment Facility at its 216,000 b/d Sweeny Refinery in Texas for Repairs March 27

In a report to state regulators, ConocoPhillips indicated that it would be flaring small amounts of a number of gases as it replaces the valve drive bearings in the wastewater treatment facility at the refinery. There was no information available as to whether the outage of the unit would impact production.

Bloomberg News, 12:38 March 27, 2007

Nigeria Files Lawsuit Against Shell for Illegal Transportation of Radioactive Material

According to the indictment against Shell and other companies, Nigeria's Nuclear Safety and Radiation Law was violated when the companies transported radioactive material across the Niger Delta. An International Atomic Energy Agency (IAEA) official said that while the issue of the use of devices using radioactive material in Nigeria is important, he speculated that the radioactive material transported by the companies was being used for well logging, a common global practice where the radioactive material being used is not considered dangerous. Spokespersons for Shell and the other companies could not be reached for comment.

http://www.upi.com/Energy/

Natural Gas

National Fuel Gas Declares Open Season for up to 500 MMcfd of Capacity

National Fuel Gas Supply Corporation has announced an open season to determine market interest in the expansion of its system to add as much as 500 MMcfd of capacity to the Leidy hub and or the potential to connect to the Millennium and Empire pipelines.

http://www.natfuel.com/SUPPLY/MARKET/MKTGNEWS/OPENSEASON/129.ASP?OS_ID=1 http://intelligencepress.com/

Neptune LNG's 400-750 MMcf/d Offshore Facility Receives Deepwater Port License

This license, issued by the Maritime Administration and the first for an offshore LNG project on the U.S. East Coast, allows Neptune LNG LLC to build, own, and operate the Neptune offshore LNG delivery system in Massachusetts Bay. The project, which includes construction of a pipeline connection to the sub-sea pipeline, HubLine (SM), is expected to be fully operational in 2009.

http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=danews.story&STORY=/www/story/0 Oil Daily, March 27, 2007

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices March 27, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	62.94	56.21	63.75
NATURAL GAS Henry Hub \$/Million Btu	7.15	6.81	7.05

Source: Reuters

Energy Notes

U.S. LNG Imports Set Monthly Record

NGI's Daily Gas Price Index, March 27, 2007, http://intelligencepress.com/

Over 10,000 Pacific Power Customers in Oregon Lost Power March 26

http://www.gazettetimes.com/articles/2007/03/27/news/community/6aaa02_outage.txt

Quoddy Bay LNG Advocates Call on FERC to Ban Transportation of Natural Gas to U.S. from Proposed Canadian LNG Terminal

NGI's Daily Gas Price Index, March 27, 2007, http://intelligencepress.com/

Hydro One Building Transmission Line in Ontario - Will Boost Electricity Supply by 3,000 MW

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8036291

January 2006, January 2007 Comparison Shows US Crude Imports from Venezuela Fell More Than 300,000 B/d to Less Than 1 Million b/d

Oil Daily, March 27, 2007

Links

This Week in Petroleum from the Energy Information Administration (EIA)

 $\underline{http://tonto.eia.doe.gov/oog/info/twip/twip.asp}$

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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